

HOUSE BILL No. 1284

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-2.

Synopsis: Transfer of unused funds. Allows money in a fund maintained by a school corporation to be transferred to another school fund if the transfer does not increase the property tax levy imposed for the fund from which the money is transferred. Repeals obsolete provisions governing transfers among funds.

Effective: July 1, 2003.

Austin

January 13, 2003, read first time and referred to Committee on Ways and Means.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1284

A BILL FOR AN ACT to amend the Indiana Code concerning education finance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 21-2-4-8 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]: **Sec. 8. A school corporation may transfer money to or**
4 **from the debt service fund under IC 21-2-11-4.**

5 SECTION 2. IC 21-2-11-4 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. **(a)** Any lawful
7 school expenses payable from any other fund of the school corporation,
8 including ~~without limitation~~ debt service and capital outlay, ~~but~~
9 ~~excluding costs attributable to transportation (as defined in~~
10 ~~IC 21-2-11.5-2)~~ may be budgeted in and paid from the general fund.
11 **Costs attributable to transportation (as described in**
12 **IC 21-2-11.5-2) shall be budgeted and paid from a fund established**
13 **under IC 21-2-11.5-2 and not the general fund.**

14 **(b)** In addition, remuneration for athletic coaches (whether or not
15 they are otherwise employed by the school corporation and whether or
16 not they are licensed under IC 20-6.1-3) may be budgeted in and paid
17 from the school corporation's general fund.



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(c) A school corporation may transfer money obtained from a source other than a state distribution or local property taxation among any account of the school corporation. A school corporation may transfer money obtained from a state distribution or a property tax levy among the general fund, the school transportation fund (IC 21-2-11.5-2), school bus replacement fund (IC 21-2-11.5-2), capital projects fund (IC 21-2-15-4), special education preschool fund (IC 21-2-17-1), and debt service fund (IC 21-2-4-2). Money transferred under this subsection may be used for the purposes of the fund to which the money is transferred. A transfer under this subsection may not be the sole basis for reducing the property tax levy for the fund from which the money is transferred or the fund to which money is transferred. The property tax levy for a fund from which money was transferred may not be increased to replace the money transferred to another fund.

SECTION 3. IC 21-2-11.5-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 6. A school corporation may transfer money to or from the school transportation fund or school bus replacement fund under IC 21-2-11-4.**

SECTION 4. IC 21-2-15-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 12. (a)** Interest on the capital projects fund, including the fund's pro rata share of interest earned on the investment of total money on deposit, shall be deposited in the fund. However, the governing body may adopt a resolution to transfer any interest earned on money on deposit in the capital projects fund to the school corporation's general fund.

(b) A school corporation may transfer money to or from the capital projects fund under IC 21-2-11-4.

SECTION 5. IC 21-2-17-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 5. A school corporation may transfer money to or from the special education preschool fund under IC 21-2-11-4.**

SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2003]: IC 21-2-4-7; IC 21-2-11.5-5; IC 21-2-15-13.1.

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